Reductions and Consolidations

o Itemize all DDA functions

o Associate annual costs with each

o Identify overlap with other Directorates and reason
(e.g., compartmentation, effectiveness)

 -- Production control (ODP-OCR-IMS)
 -- Printing and graphics (OL-NFAC)
 -- Etc.

o Present to EXCOM for action

Surge Funding of ODP Computers

Example

IBM 3033 MP System

	Actual	Discounted
60 Mo. Purchase	$7.10M	$5.55M
Outright Purchase	5.44M	5.44M
Savings	$1.66M	$ .11M

Small discounted dollar savings achievable. Must be weighed against:

    a. budgetary complications

    b. loss of flexibility

ODP Cost Savings During Last Three Years

o   SAFE Hardware RFP (about $20M)

o   1978 Disk Upgrade (about $2M)

o   Prompt payment discounts ($110,000 per annum for 3 Amdahl systems)

o   New PERSIGN II system (savings of $763,000 per annum in operating costs)

o   Release of 2 360/20 computer systems ($52,000 per annum)